## **Sales and Use Tax - Fireworks**

Are individuals who sell fireworks from a store or stand required to collect and remit sales tax?

Yes. Individuals who sell fireworks are required to collect and remit the 2.9 percent state sales tax on all firework merchandise sold. The seller is also required to collect any applicable local sales tax and any state special district taxes that may apply. See the Form DR 1002 "Colorado Sales and Use Tax Rates" for tax rates applicable in Colorado.

A state sales tax license must be applied for by mail or in person using <u>Form CR</u> <u>0100</u>. Typically, fireworks are sold at certain times of the year, therefore, the owner would most likely have the account set up for "seasonal" filing only.